



The President's Daily Brief

March 21, 1975

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FOR THE PRESIDENT ONLY

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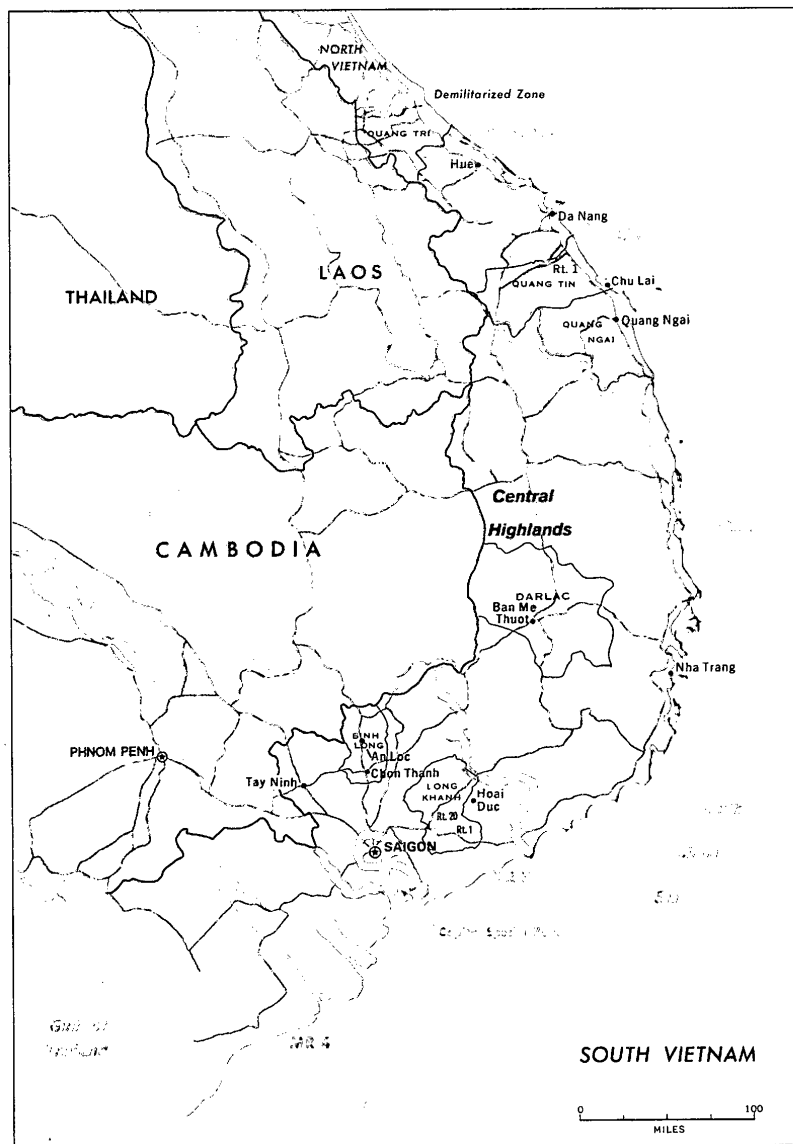
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SOUTH VIETNAM

The government is consolidating its defensive position on the Hue battle-front and, contrary to press reports, does not plan to abandon the city without a fight. A flurry of communist attacks south of Hue late yesterday probably will result in heavy fighting as the South Vietnamese try to keep Route 1 open to Da Nang.

The regional commander has ordered the return of heavy artillery to the Hue area and has stopped the withdrawal of armored units and ammunition. Stragglers from Quang Tri Province, along with ranger and armored units, have been incorporated into the My Chanh River defense line. The marines and the 1st Division remain deployed to the west and south of the imperial capital.

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[redacted] the government's strategy for the northern provinces now calls for the establishment of four enclaves at Da Nang, Hue, Chu Lai, and Quang Ngai City. As communist pressure increases, both Chu Lai and Quang Ngai are to be surrendered, if necessary, before Hue.

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Reinforcements have arrived in Quang Tin Province, and although communist pressure continues there and in Quang Ngai Province, the government thus far has been able and willing to stand and fight. The South Vietnamese have also reopened Route 1, which links those two provinces with Da Nang.

Farther south, the government has withdrawn its forces from An Loc and Chon Thanh, in effect leaving Binh Long Province to the communists. Northeast of Saigon, the communists have overrun the district capital of Hoai Duc. Government forces along Route 20 in Long Khanh Province were routed on Wednesday, and that road and Route 1 in the area remain cut.

An additional communist division may be active in the Ban Me Thuot area of Darlac Province. Intercepted communications of this unit suggest that it

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is the North Vietnamese 316th Division--one of Hanoi's strategic reserve divisions that reportedly has moved south to the central highlands. Communist prisoners captured near Ban Me Thuot claimed they were from the 316th.



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CAMBODIA

Khmer communist units east of Phnom Penh intensified their rocket attacks against the downtown section of the capital yesterday. Six rockets struck near the US embassy; a recent intercept indicated that the embassy is a priority target.

Rocket fire against Pochentong Airport remained relatively light. Government units attempting to penetrate the "rocket belt" northeast of Tuol Leap, however, again registered little progress.

South Vietnamese military aircraft are scheduled to evacuate most personnel from the South Vietnamese embassy today. A staff of 12, including a chargé, will remain. The Philippine ambassador and his staff left on Tuesday.

Southeast of the capital, government defenders in the beleaguered enclave stretching from Neak Luong to Banam came under heavy ground attack early today. Initial reports are sketchy, but numerous fires appear to have broken out between the two towns. This suggests that the communists may once again have isolated Banam from Neak Luong.

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THAILAND-CAMBODIA

The new government in Bangkok has expressed reservations about the US airlift of ammunition to Cambodia from Thailand.

Prime Minister Khukrit has announced that he will negotiate "soon" with the US about continuation of the airlift and the presence of US forces in Thailand. He agreed with an earlier statement by Defense Minister Praman that the transit of weapons to Cambodia must, "in principle," be prohibited, but added that the shipment of food and medicines should continue.

Thai officials are clearly alarmed by the deteriorating military situation in Cambodia and may have concluded that it is only a matter of time before Phnom Penh collapses. If so, Khukrit's statement may be a first step toward ending Thai-based military support for the Lon Nol government.

In this regard, Khukrit [] could accept a communist government in Cambodia. He said his government would recognize any successor to Lon Nol and believes that even a leftist regime would seek extensive trade with Thailand.

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Khukrit's purpose in taking the line he did at his press conference is probably twofold: to preempt any charges by domestic critics that his conservative government will follow the policies of the now-discredited Thanom military regime, and to signal Thailand's communist neighbors that Bangkok is moving away from its previous close association with US policy in Indochina.

The government has not yet approached the US embassy to discuss the airlift, and the statements of both Khukrit and Praman suggest some room for flexibility in the Thai position. Having made their point for domestic consumption, Thai officials may be inclined to look the other way at a continuation of the airlift.

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CYPRUS

Both Ankara and Athens are showing signs of flexibility on the Cyprus problem. Ambassador Macomber reports that, following consultations with Secretary Kissinger, many Turkish leaders seem convinced of the need to begin meaningful negotiations. This is contingent, however, on the formation of a new government and concrete steps toward the resumption of US military aid.

Turkey has made it clear that the question of a bizonal federation is nonnegotiable and that only such matters as the power of the federal government and the size of the Turkish Cypriot zone are open to discussion. The Turks also want assurances that President Makarios will not be allowed to torpedo the negotiations.

The Greek government has hinted that it may be willing to accept a bizonal solution, provided the federal government is given meaningful powers and the size of the Turkish Cypriot zone is substantially reduced. Prime Minister Karamanlis and Greek Cypriot negotiator Clerides argued for such a fallback position in discussions with Makarios in Athens late last year, but apparently failed to persuade the archbishop. Makarios has insisted on a multiregional federation in which the Turkish Cypriots would control approximately 18 percent of the island's land area--roughly equivalent to the Turkish proportion of the population.



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Makarios will probably continue to favor a tougher position than that approved by Athens. His options have steadily diminished, however, in view of his failure to secure strong UN support and the apparent unwillingness of the Soviet Union to give the Greek Cypriots anything more than verbal support.

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NOTE

Cuba has been dipping into its military oil reserves in order to relieve an acute fuel shortage.

A similar shortage occurred in 1967 when increased consumption outstripped a rise in Soviet deliveries. Havana's relations with Moscow were at their nadir then, however, and the Soviets appeared to be using oil as leverage to bring the Cubans into line with Soviet policy. Relations between the two countries are warmer now, but the Soviets seem anxious for Cuba to look for oil sources nearby. Moscow, in fact, might be controlling the oil flow to force Castro to give more serious consideration to increasing oil imports from Mexico and making similar purchases in Venezuela.

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